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RE: Proposed Payroll Tax Relief

Dear Business Owner,

Recently, the Department of Labor and Workforce Development notified me that the legally mandated Unemployment Insurance (UI) contribution rate from Alaskans would increase again. I want to change this and provide payroll tax relief to Alaska employers and employees when Alaska's UI Trust Fund is solvent.

Unfortunately, existing UI laws allow no flexibility, and the mandated contribution rate increases just pile on Alaskans and all doing business in our state. I have asked the Alaska Department of Law and the Department of Labor and Workforce Development to review current law and make recommendations for statutory changes that would provide relief for employers and employees.

I intend to ask legislators to join me in providing payroll tax relief to employers and employees in the state. We will continue to focus on growing Alaska's private sector and keeping more money in Alaskans' pockets.

Best regards,

A handwritten signature in blue ink that reads "Sean Parnell".

Sean Parnell
Governor